

MBE

[Management by Exception]

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Concept

"Trying to control everything
may end up in controlling
nothing"



Concept

Management by Exception, shortly called as MBE is a management style that empowers the manager to concentrate on the exceptionally important or critical matters and taking important decisions while facilitating the front line workers to complete the day to day activities.

Concept

Managers cannot control every organizational activity. This is neither desirable nor possible within the frame of time, money and resource constraints.

If actual performance conforms to planned performance, the matter need not be brought to the notice of top managers.

Process of MBE

1. Setting the Objectives

(and define that what would be the norms)

2. Assessing performance

(to understand whether performance is on track)

3. Analyzing work

(or records to understand where performance deviates from objectives)

4. Investigating

(and resolving the exceptions to the norm)

Advantages of MBE

1. Best use of management time
2. Rapid response
3. Motivates staff to perform
4. Separating important information from unimportant one
5. MBE keeps management alert to opportunities and threats



Disadvantages of MBE

1. It's only as good as the system
2. Needs detailed monitoring
3. Managers must be problem solvers first and foremost
4. It's reactive